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From: Wilson, Julie (OTED)
Sent: Wednesday, February 05, 2003 2:36 PM
To: Annette Case (E-mail); Anton Saunsaucie (E-mail); Cindy Kirchmeier (E-mail); Barry, Debby; Ed Parris (E-mail); Guerra, Elizabeth; Erin Burchfield (E-mail); Gail DeHoog (E-mail); Kallinen, Gail; Gloria Callaghan (E-mail); Marshall, Jean E; Kathy Collmann (E-mail); Covey, Kathy; Kathy Dugan (E-mail); Gross, Kathy; Thomas, Kathy; Susick, Kipp; Linda Fitzgerald (E-mail); Marcy London (E-mail); Melinda Montgomery (E-mail); Melissa Kanaya (E-mail); Michael Campbell (E-mail); Michele Harris (E-mail); Michelle Anderson (E-mail); OJ Hogan (E-mail); Pauline Carlton (E-mail); Renee Pottle (E-mail); Kaufmann, Richard (WDA); Rita Houston (E-mail); Hughes, Sandi; Rughani, Sanjay; Stacey Gurly (E-mail); Star Simpson (E-mail); Elliott, Willie (WDA)
Cc: Knox, Paul (OTED); Klontz, Diane (OTED); Greenwalt, Eva (OTED); Hamilton, Jan (OTED); Beebe, Joyce (CTED); Byrne, Paula (OTED)
Subject: CJ Budget Cuts
Importance: High

Good afternoon everyone,

Just wanted to follow up with the budget cut impacts for CJ for this fiscal year and the following fiscal years. As I mentioned previously, for this fiscal year due to under enrollment and your concentrated efforts to move participants to UE quicker we will be able to absorb the \$4 million cut required of CJ this fiscal year. Keep in mind we will be watching closely the enrollments around the state to ensure we don't get any surprise surges in enrollment. We have identified the enrollment trends in each of your areas and I will be contacting you all over the next week to discuss the trend and what changes may or may not need to occur as a result of lack of referrals.

For next fiscal year the plan is to reduce support service averages from \$600 a participant to \$500 a participant, move participants to UE quickly (as you do now), reduce the participant emergency leave from giving 20 hours up front to 8 hours up front with accrual at the same amount, drop the attrition rate from payment point 1 - 2 from 15% to 5%.

We anticipate being able to serve for the most part the statewide market demand so I am not concerned about that at this time. Additionally, at your request we are redesigning the program with some components that were discussed in December's administrators meeting. The redesign by nature will incur some additional savings to help offset the budget reduction. Lastly, all of you will be receiving a contract amendment with language regarding budget reconciliation at the end of the fiscal year as also discussed in December's meeting.

If you have any questions please feel free to contact me or I am happy to answer questions when I call you in the next week.